

TAX CREDIT ANALYSIS

Program Name: Historic Preservation (HTC)					
Department: Economic Development		Contact Name & No.: Ann Perry 522-8006			Date: October, 2011
Program Category: Redevelopment			Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____		
Statutory Authority: 253.545 -253.561, RSMo			Applicable Taxes: Income tax, bank tax, insurance premium tax, other financial institutions		
Program Description and Eligibility Requirements: 25% credit issued for qualified rehabilitation costs on historic structures. Individuals, organizations and businesses which have a Missouri liability are eligible to apply.					
Explanation of How Award is Computed: Entitlement <input checked="" type="checkbox"/> Discretionary _____ Applicant applies to DED at beginning of project to receive preliminary approval. Along with application requirements, proposed work is reviewed by DNR SHPO. After work is complete, applicant files second application along with proof of expenses. Credits are issued after project has met program requirements and work is complete. This is a fiscal year program.					
Program Cap: Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ <input checked="" type="checkbox"/> None Explanation of cap: January 1, 2010 - June 30, 2010 cap is \$70M; Beginning FY 11 cap is \$140M /FY. Projects not under cap: Owner-occupied residences (capped at \$250,000 in credits) and projects to receive \$275,000 in credits.					
Explanation of Expiration of Authority: 253.550, RSMo					
Specific Provisions: (if applicable) Carry forward <u>10</u> years Carry Back <u>3</u> years Refundable _____ Sellable/Assignable <input checked="" type="checkbox"/> Additional Federal Tax Credits Available <input checked="" type="checkbox"/>					
Comments on Specific Provisions: 20% Federal Historic Credit					
	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 (current year)	FY 2013 (budget year)
Certificates Issued (#)	197	219	161	200	200
Projects (#)	197	219	161	200	200
Amount Authorized	\$211,950,941	\$99,510,175	\$82,839,495	\$100,000,000	\$100,000,000
Amount Issued	\$119,914,948	\$107,229,218	\$116,244,410	\$100,000,000	\$100,000,000
Amount Redeemed	\$186,426,164	\$108,064,200	\$107,767,393	\$110,000,000	\$110,000,000
EST. Amount Outstanding	N/A	N/A	\$139,769,485	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$275,184,592	N/A	N/A

HISTORICAL AND PROJECTED INFORMATION

The bar chart displays three categories: Amount Authorized, Amount Issued, and Amount Redeemed. For each category, five bars represent the fiscal years 2009 through 2013. The y-axis ranges from \$0 to \$250,000,000. The bars are color-coded: FY 2009 (dark red), FY 2010 (purple with horizontal stripes), FY 2011 (yellow), FY 2012 (purple), and FY 2013 (blue). Data labels are placed above each bar.

Category	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Amount Authorized	\$211,950,941	\$99,510,175	\$82,839,495	\$100,000,000	\$100,000,000
Amount Issued	\$119,914,948	\$107,229,218	\$116,244,410	\$100,000,000	\$100,000,000
Amount Redeemed	\$186,426,164	\$108,064,200	\$107,767,393	\$110,000,000	\$110,000,000

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Comments on Historical and Projected Information:

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2011 ACTUAL	Other Fiscal Period 10-Year	<u>Derivation of Benefits:</u>
BENEFITS			Investment: (a) \$176,542,572 in Residential Investment Spending between 2011-2015; (b) \$153,015,407 in Non-Residential Investment Spending between 2011-2015. Employment: (a) 828 jobs in local competitive markets in Manufacturing and Service industries in 2016-2020. Incentives/Credits: (a) \$82,389,495 in Authorized Historic Preservation Tax Credits, redeemed at the rate of 80% in year 3 and 20% in year 5. Impacts occur in the Statewide Region. Assumptions provided by DED. Estimated using REMI-PI+Statewide Model (remi-fiscal-PI+aug11). The multi-year fiscal Benefit-Cost Ratio is 0.13 when other program incentives are included.
Direct Fiscal Benefits	\$398,073	\$5,041,228	
Indirect Fiscal Benefits	\$804,424	\$10,187,286	
Total	\$1,202,497	\$15,228,514	
COSTS			
Direct Fiscal Costs	\$0	\$78,223,969	
Indirect Fiscal Costs	\$0	0	
Total	\$0	\$78,223,969	
BENEFIT: COST	#DIV/0!	0.19	

Other Benefits:

In FY 2011, every dollar of authorized program tax credits returns

N/A in new personal income totaling \$17.75 million

N/A in new value-added/GSP totaling \$30.85 million

N/A in new economic output totaling \$53.28 million

Over 10 years, every dollar of authorized program tax credits returns

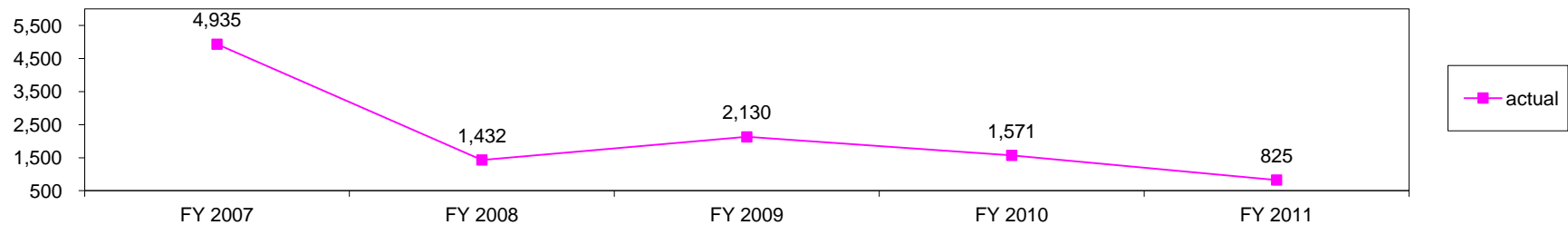
\$3.83 in new personal income totaling \$299.54 million

\$7.04 in new value-added/GSP totaling \$550.90 million

\$12.74 in new economic output totaling \$996.73 million

PERFORMANCE MEASURE(S)

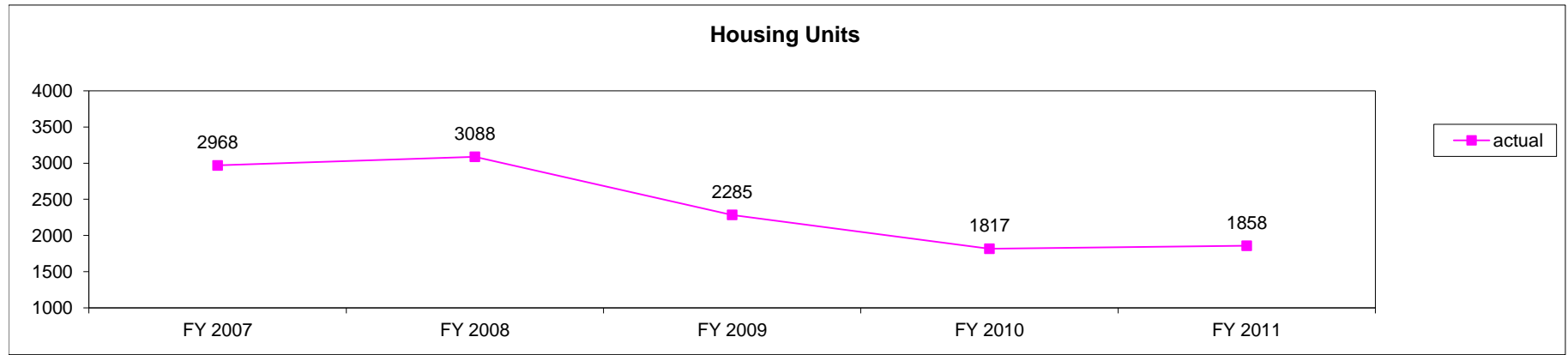
Jobs Created



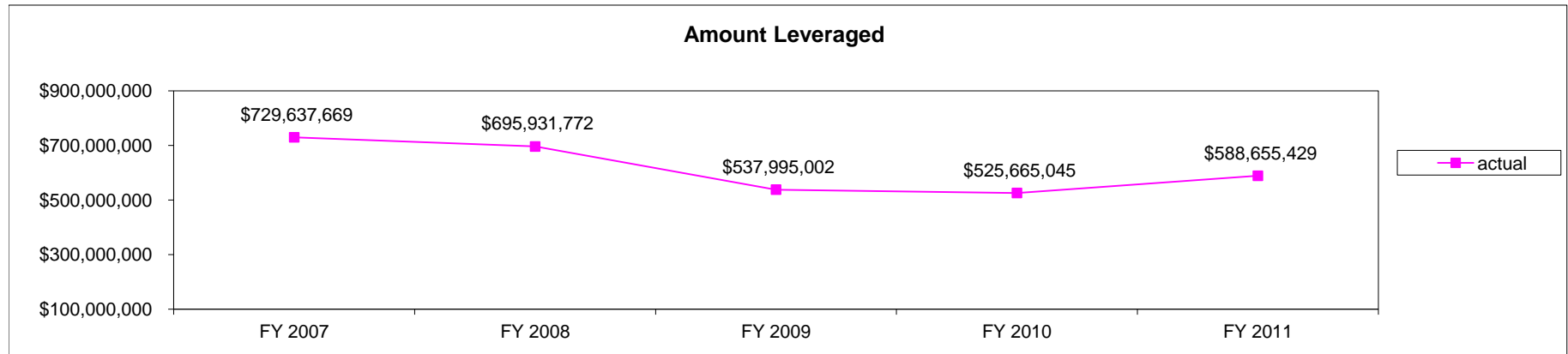
Comments on Performance Measure:

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Comments on Performance Measure:



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